



Sysco
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Published: June 10, 2022

MARKET WATCH



Ingredients for your Success



Poultry

Whole birds continue to have constrained supply. High prices cure high prices and the record high prices in the jumbo breast market are starting to come down. Portion breasts remain in high demand and difficult to come by. Wings markets were mixed. Tenders were flat, the market is extremely strong and excess product is nonexistent.



Beef

Harvest numbers last week and current week are the wild card for the market. Ribs are hoping for steady trade, while strips and tenders continue to benefit from continued demand. Main question on middles, with large harvest, how long will buyers pay current ask prices? Chucks and rounds have found steady range for packers and buyers and look for that to hold true.



Grains / Oil

Last week was very volatile for the soybean oil market, starting the week lower and then moving back over 81 cents per pound for futures. Canola is still experiencing logistics issues in Canada. Palm oil moved higher as Indonesian exports are still not shipping.



Pork

Butts continued their upward momentum for next week. Loins remained relatively flat going into next week. Backribs are slowing down and trending down for next week while spares and St. Louis remained flat. Bellies are still moving up as demand continues to increase. Hams are back up due to exports to Mexico.



Dairy

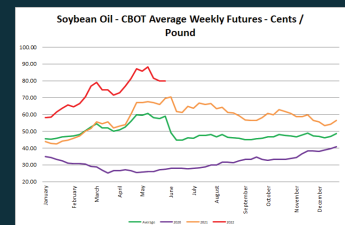
The cheese markets continue to slowly drop. Butter prices continue to climb up due to tighter cream supplies. Sluggish demand and a soft market have the egg market down.



Seafood

Domestic white shrimp season kicked off in Louisiana with promising catches. Mid-to-Smaller Sizes wild-caught domestic shrimp can offer a good value now. Record low harvest for Gulf Oysters due to mortality rate and several fishing areas being shut down. Frozen tuna imports start to arrive to provide supply in a dry market

Market Headlines



Turkey

Avian Influenza is having its worst outbreak since 2015. As of today 5.5 million Turkeys have been lost which makes up 2.5% of the US Turkey population. So far the Midwest has been the most affected by AI.

Eggs

Effective July 1, the new Nevada AB Egg Production law will become effective. Eggs must come from sources that have at least 1 square foot of space per hen. This is likely to increase egg prices in the desert region.

Shrimp

All fishing zones are now open in Louisiana. Landings of head-on shrimp for peeling continue to be good. Landings have been good over a broad range of sizes signaling an optimistic outlook and softening prices.



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Asparagus

- ▶ Market mostly steady with good supplies and moderate demand. Quality reported as good to very good.

Avocado - Alert

- ▶ Out of Mexico, volume is showing a decline in volume as we near the end of the season with small sizes becoming less of the manifest. Out of California, production is declining in volume as a result of the heavy volume harvested early in the season with limited volume on large sizes being available.

Broccoli & Cauliflower

- ▶ Markets out of Mexico are challenged with broccoli supply, but good supplies available out of California. Cauliflower is showing some increased market activity for this week some suppliers reporting a reduction in yields.

Brussels Sprouts - Alert

- ▶ Active markets on both commodity and value-added brussels sprouts remain as supply out of Mexico remains low and full production on the Central Coast of CA is not in full production. Expect market conditions to continue for an additional 2 weeks. Quality issues are of concern as well.

Cabbage-Bok Choy, Napa, & Red - Alert

- ▶ Cabbage- Napa and Bok Choy – Markets remain active with less overall supplies available. Active markets for the next 2-3 weeks. On red cabbage, there is very limited supplies with active markets on the west coast.

Carrots - Alert

- ▶ No change from the previous weeks. Shredded carrots, rainbow shredded carrots and 2 in peeled carrots are now short in supply in addition to shortages on snack pack and jumbo carrots out of California. Carrot sticks for some also remain a challenge with the main carrot processor only packing a 2-inch stick, instead of a 4-inch stick.

Celery

- ▶ Market continues to see better signs of supply as production has started out of the Salinas Valley. Markets look to stabilized over the next 2 weeks.

Green Beans- Alert

- ▶ On supplies out of the east coast, supplies are fair, most of all Georgia is in a planting gap early this week. Production starting in the Carolinas and Virginia. On supplies out of California, supplies remain light but expected to pick up next week in the central valley and Baja. For the west, the are supplementing with beans from the east coast.

Citrus - Alert

- ▶ Lemons: Market mostly steady. Small sizes are getting a premium over large. Import lemon from Argentina and Chile have started to arrive in limited volumes. These will steadily increase over the next several weeks
- ▶ Oranges: Market firm. California Valencia's are the primary orange variety being packed now. The fruit is peaking on 88/72/113, but the market is still very short of the demand. Import oranges from Chile and South Africa will begin arriving in early July, which is expected to help some
- ▶ Lime: Smaller sizes remain low in price, while 110/150ct remain high due to lack of availability in the market. Sizing, 40% coming in at a 175/200ct and 45% coming in at a 230/250ct. Flexibility needed on sizing as suppliers will have to sub on 110s/150s remaining limited in supply.

Leaf, Iceberg, Romaine

- ▶ Mostly steady markets being seen again this week with less demand on all leaf lettuces. Increased market activity for some being seen on romaine, romaine hearts and iceberg lettuce. Butter/Boston lettuce remain this week with limited supplies due to overall less plantings that were done for the spring/summer months.

Eggplant - Alert

- ▶ The market mostly steady with good demand. Texas is finished up for the season. Southern California Imperial Valley is wrapping up and transitioning to Central California. New Mexico starting up.

Peppers - Bell

- ▶ East Coast – Green bell supply good, quality good and demand lighter. Market a little lower. Red and Yellow bells remain in short supply. West Coast – All colors will remain short this week. 10 more days until Southeastern volume picks up. Green bells in California short from all shippers, but Bakersfield production getting under way, should be in decent supply by end of this week. Yellow bells should mirror reds.

PRODUCE MARKET Updates

Blueberries

Blueberries are in a prorate situation and will be tight over the next 3 to 4 weeks. Blackberries and Raspberries have increased in price this week as supplies from Mexico rapidly decline. The PNW is still about 2 weeks behind Schedule. Once this area starts to come on, we should have some relief on blueberries.

Hot House

Supplies very tight and demand exceeds on TOV and Campari tomatoes.

Fingerling Potatoes

Market continues to short with limited suppliers for the next two months.